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Detroit Bankruptcy Judge Tours City Whose Fate He'll Decide.

The federal judge overseeing Detroit's bankruptcy case took a 58-mile tour of the insolvent city, less than two weeks before he will open a trial over its proposed debt-cutting plan.

U.S. Bankruptcy Judge Steven Rhodes treated the tour yesterday as an official court hearing, with a court reporter making a transcript of the event while lawyers supporting and opposing the plan rode along. The goings-on were taped by a videographer.

"The judge did not ask any questions," court spokesman Rod Hansen said today in a phone interview. The route was decided by the city after it had been reviewed by creditors who plan to fight the city during the trial that starts Aug. 21.

Robert Hertzberg, a bankruptcy attorney for the city, participated in the tour along with the former councilman Gary Brown, who now works for Mayor Mike Duggan.

Before the tour began, the judge sealed references to the route, the date and other details. In court he said he didn't want the tour disrupted in case the plans became public before the event was over.

The city organized the tour as part of its presentation of evidence in support of the debt-cutting plan. The goal was to show Rhodes the challenges the city faces and what progress it has made so far.

During the tour, the judge saw some of the city's older neighborhoods, including the blight-strewn Brightmoor area as well as the construction site of a streetcar line on Woodward Avenue in downtown, where redeveloped buildings have attracted new business.

Detroit filed for bankruptcy last year, saying decades of economic decline left it without enough revenue to provide basic services.

The trial is scheduled to conclude the fourth week of September.

The case is In re City of Detroit, 13-bk-53846, U.S. Bankruptcy Court, Eastern District of Michigan (Detroit).

Bloomberg By Steven Church Aug 9, 2014

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